

Minutes ALG May 13, 2021 8:30 AM via Zoom

Present: Bart Wendell, facilitator; Jon Benson and Dean Charter, S. board; Christi Andersen and Christine Russell, FC; John Petersen and Amy Krishnamurthy, SC; John Mangiaratti, Peter Light, Steve Barrett, Staff. Others: Mark Hald, Asst. Town Manager, Dave Verdolino, Finance Director ABRSD. Absent: Marie Altieri.

Extra information/documents: Agenda, March 17 Minutes, Town of Acton multi-year financial model

I. Regular Business

1. Minutes were accepted

II. Special Business

2. FY 21 Budget update

Peter: They are finalizing the third quarter report for the SC meeting on Thursday. At that time there is expected to be a better prediction for the turn back numbers. FEMA grants have been a shifting target. At first, we thought there'd be a 100% reimbursement but then with some of the federal changes that dropped. Now we have a net difference of \$300K; there may be some movement to change that amount; in about two months we expect to get a new set of rules but now we have a \$325-\$350K gap.

John: Steve Barrett presented the third quarter report to the FinCom. We're on target for the tax levy; we have reductions in investment income and local receipts. Motor vehicle excise permits are lower, there may be an uptick this spring; we are about \$250-\$500K short in revenue projections.

The financial controls put in place in FY 20-21 have resulted in turnbacks that will cover the shortfall.; we will also replenish free cash. There is not much left in CARES; it was spent on mortgage and rental assistance and community help for the schools remote learning and food services.

John P: I don't understand. You are going to replenish Free cash so in FY 21 there will be no net use of FC?

John M: goal is to replenish amount used.

Steve: The way the DOR does the accounting in FY 22--\$595K is on the ALG sheet for FC; controls have \$1m turnback; \$500K goes to revenue shortfall; \$500K is replenishment of FC. "The numbers move around."

Bart: does that answer your question?

JP: I understand that FY21/22 the actual numbers vary. In this discussion were talking about \$100K; the turnbacks will cover that amount and the revenue shortfall?

SB: I think that's the right neighborhood: FY 21 turnback is @\$1m—that will cover the \$595K plus another \$500K.

3. Update ARP

John: we expect to get more guidance on Monday—we have to go through 100 pages of rules; the DOR also has a say and they tend to be stricter. The intent of the \$6.9m for Acton is to look at the different ways in which we can support the community. There is revenue replacement which needs detailed calculations. We are waiting for the motor vehicle excise taxes; we expect the money to be released within the next 90 days or so.

John P: In terms of the uses of the ARP, there are school activities needs of the region which has to be aligned with Boxboro. How is the process going to work with Boxboro and how are we going to get the alignment?

John M: I'm looking to the needs of the Acton community. I've not talked to Boxboro as yet. I'm sure they will do what's best for Boxboro. We have priority capital projects. There will need to be discussions with the select board to use half this year and half next. My priorities are the needs of Acton.

JP: Peter have you discussed this with the boards in Boxboro.

Peter: Boxboro is in transition and I'm waiting for the new people to get in place. We have talked in rough terms; we are looking to have the new town administrator and finance director working together to best support the schools.

The ESSER money will be south of \$1m: it will be distributed using the Title I regulations that look at socio-economic need. Worcester will get 85x what we will get. The remaining 10% which is distributed through the DOE will take into account those communities that are getting less. So, we are hopeful that we'll get some more money but nowhere near a windfall. We are looking at the educational needs in a budget neutral way; we will need additional support staff; math and literacy along with robust counseling. There is a wide range of needs for the students.

4. Town Meeting

Mark: there are 40 articles on the warrant; there are some other place-holders which may or may not be removed. About half are on consent. We will do the consent calendar at the top of the meeting; hopefully it will only be one night. Things should go smoothly.

John: at the BoS meeting on the 24th there will be a discussion of the wastewater article; funds for the improvements of Town Center; and the feasibility study money for the replacement of the DPW building.

Jon: there will be an update for the FY 22 projections in the warrant; we will talk about the changes in the ALG plan before the warrant is published.

SB: Town meeting spreadsheet is similar to the tax recap. In checking through the items, it appears that we double counted the North Acton Fire Station. This is my error and we need to get together with Dave and Marie and check the numbers. It appears we have a net position of \$454K. If this is the case: what do we do with it? There are three possibilities: 1. Cover the shortfall for local receipts; we have to be careful that we keep to the guidelines of the DOR and not find that we've impacted the FY 22 budget numbers. 2. We can lower the reserve pledge and aid free cash. 3. We can give tax relief.

This change will lower the deficits for FY 23 & 24. We can also do nothing and let it flow to the bottom line.

Christi: I'd love to have you come to the FinCom and explain what's going on. Steve said he'd attend the FC meeting on the 25th.

JP: questioned the timing of this change and whether there would be enough to get the ALG spread sheet changed.

There was a general discussion about the need for each board to come to their own decision on which option or combinations of options to choose. This led to a general discussion of the dates for ALG meetings prior to Town Meeting and the printing of the warrant.

JP: noted that on Tuesday the Senate was going to present their budget and wondered if this would have any impact on the ALG sheet and if there would need to be changes.

Dave: there have been changes; Ch 70is only doing \$30/student; Regional transportation will be a higher % but we will not get the real numbers until June 22. Costs may be down but I'm not comfortable in estimating the numbers at this point; the other numbers are not significant.

Bart: does this mean that the ALG has more work to do?

After more general discussion it was agreed that each board would look at the three options and come prepared to the May 27th to reach a consensus. If, in fact a consensus was not reached then the ALG would meet on June 3.

Christine noted that she was a fan of returning money to taxpayers and wondered how much each tax payer would receive.

SB: and estimate of about \$20.

Bart: What is needed to get done and what's needed for Town Meeting.

JM: we need to get together with Peter's team and work out the numbers for the spreadsheet; develop the three options for board discussions and then come in on the 27th and recommend a plan.

Bart: So, the 27th is a definite meeting and we will pencil in June 3rd if there is a need for a second meeting.

It was noted that June 3rd was also graduation; only Christine has a graduating senior and she did not see any problem with a meeting in the morning of the 3rd.

Peter: graduation plans have each student getting six tickets; there will be social distancing and the ceremonies will take place on Leary field. There will not be proms or project Graduation. There will be a senior send-off that will be like $\frac{1}{2}$ prom and $\frac{1}{2}$ project graduation. Everything will happen outside. I've received a lot of help from Sheryl Ball and Heather York in making these plans and making the event safe for all who attend. Both the Board of Health and nursing services have been very cooperative and have helped with the planning.

5. Public

There was no public.

The Next Meeting will be May 27th at 8:00AM (note the earlier time)

Adjourned 9:15

Ann Chang